business. (Foreign companies are not allowed to invest in partnership firms/ proprietary concerns).

* Portfolio Schemes: NRIs are permitted to invest in shares and debentures through secondary market purchase from the stock exchanges under the portfolio scheme. Investment limit are 5% and 10% respectively. These limits are over and above the Foreign Institutional Investors (FII) portfolio investments limits so as to ensure that NRI investment are not crowded out by FIIs.

* NRIs can acquire immovable property, other than agricultural land/ plantation property/farm house and transfer such property to a resident, another NRI.

**New Leadership in Panchayat Elections**

943. SHRI S. M. LALJAN BASHA: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether the Government feel that new leadership from new social sections have come to force in rural areas due to regulated and regular Panchayat elections;

(b) if so, the basis of the assumption or conclusion of Government;

(c) whether any survey has been done to determine the election of a new leadership in rural areas; and

(d) the details of the impact of elections and the system of elections on rural areas?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) and (b) Yes, Sir. New leadership from new social sections such as Women and SC/STs have come to force in rural areas due to regulated and regular Panchayat elections. Against the 33% reservation for women, about 37.5% women had been elected in all the three tiers of Panchayats. About 19% SCs and 12% STs have been elected against on an average 15% and 7.5% reservation provided to these sections at the national level. (The reservation for SCs/STs in the Panchayati Raj Institutions is as per their percentage of population in each State/Union Territories).

(c) No, Sir.

(d) Does not arise.

**Non-Implementation of PESA Act, 1996**

944. SHRI PRAVEEN RASHTRAPAL: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government are aware regarding non-implementation of Panchayats Extension to the Scheduled Areas Act, 1996 in the State of Jharkhand;

(b) the reasons therefor;

(c) whether the Minister agrees that the non-implementation had resulted into great loss of the State and Tribal population of Jharkhand; and

(d) the remedial measures proposed thereon?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) to (d) The Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 is applicable to Scheduled Areas of nine States including Jharkhand. The State has enacted requisite compliance Legislation by amending the State Panchayati Raj Act. Elections to the Panchayati Raj Institutions are pending as the matter relating to reservation of posts is sub judice.

The Union of India has since filed a SLP in the Supreme Court of India (CC No. 12459/2005) seeking to quash the judgment of the Hon'ble Court of Jharkhand. The Chief Secretary to the Government of Jharkhand, Secretary, Rural Development, Government of Jharkhand and the Election Commission, Government of Jharkhand are proforma Respondents in this matter. The Minister of Panchayati Raj has also written to the Chief Minister Jharkhand for holding elections in the State at the earliest as per the Constitutional provisions of PESA. The Union of India has also requested Additional Solicitor General to make a special mention in the Supreme Court of India for an early hearing of the case. An interim Application has also been filed before the Hon'ble Supreme Court for an early hearing. Panchayats elections will be held in the State on the